parity; trends in market prices, demand and supply situation, inter-crop price parity, effect on industrial cost structure, effect on general price level, effect on cost of living, international market price situation and parity between prices paid and prices received by the farmers.

(f) To provide price guarantee to the farmers for their produce the mechanism of MSP is implemented for 25 crops. For other perishable commodities, like fruits and vegetables, Market Intervention Scheme (MIS) is also implemented as and when required. There is no proposal to set up a Price Stabilization Fund.

Law for contract farming

†3397. SHRI PYARELAL KHANDELWAL: Will the Minister of AGRICULTURE be pleased to state:

(a) whether it is a fact that contract farming is being carried out on a large scale in some States of the country;

(b) whether it is also a fact that the farmers are suffering huge losses in the absence of a law for contract farming;

(c) if so, the details thereof;

(d) whether Government has asked the States to enact a law for contract farming; and

(e) if so, the details of the steps taken by the States in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA): (a) and (b) No, Sir.

(c) Question does not arise.

(d) and (e) Yes, Sir. In order to make contract farming arrangements beneficial for the farmers and the sponsoring companies, a Model Law on Marketing has been formulated by the Government keeping various requirements in view and circulated to States Governments for considering suitable amendments in their concerned Acts to bring in the required agricultural market reforms. The Model Law provides for registration of contract farming sponsors, recording of agreements with a prescribed authority, dispute settlement mechanism, model format for contract farming agreement and protection to farmers' rights over land as a consequence of such agreements. The State Governments of Andhra Pradesh, Arunachal Pradesh, Assam, Chhattisgarh, Goa, Gujarat, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Nagaland, Orissa, Punjab, Rajasthan, Sikkim, Tripura and UT of Chandigarh have amended their Acts and incorporated provisions for contracts farming.

Decline in the agriculture production

3398. SHRI A. ELAVARASAN: Will the Minister of AGRICULTURE be pleased to state:

(a) whether Government is concerned that there is a great decline in the production of agricultural commodities and the prices of essential food products have increased enormously;

(b) if so, what are the steps taken by Government;

(c) whether Government will plan to establish Special Agricultural Zone to enhance the agricultural production;

(d) if so, the details thereof; and

† Original notice of the question was received in Hindi.

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA): (a) and (b) While the prices of essential food products have increased in the recent past, it is not due to decline in the production of agricultural commodities. As per the 3rd Advance Estimates released on 22nd April, 2008, production of foodgrains during 2007-08 is estimated at 227.32 million tonnes which is about 10 million tonnes more than the production during the previous year. Production of oilseeds during 2007-08 is estimated at 28.21 million tonnes which is about 4 million tonnes more than the previous year. However, to moderate the prices of food products, Government has taken the following steps, among others:

1. Export of wheat has been banned with effect from 09.02.2007 until further orders.
2. To augment availability of wheat, Government allowed to import 23 lakh tonnes of wheat of which about 18 lakh tonnes has arrived in India as on 26.03.2008.
3. Export of non-basmati rice has been banned with effect from 01.04.2008.
4. Department of Revenue *vide* its notification no. 37/2008-Customs dated 20.03.2008 has issued orders for reducing import duty on rice to zero up 31.03.2009. Government also directed that the order regarding removal of instructions on licensing, stock limits and movement of rice be kept in abeyance for a period of 1 year.
5. The Central Issue Price for rice and wheat has not been increased since 01.07.2002.
6. Ban on export of pulses, effective from 22.06.2006 (except export of Kabuli Chana with effect from 07.03.2007), has been extended up to 31.03.2009.
7. Validity of import of pulses at zero duty, effective from 08.06.2006, has been extended up to 31.03.2009.
8. Among the edible oils, import duty has been reduced to zero on crude edible oils; to 7.5% on refined, hydrogenated oils and hydrogenated vegetable oils. Customs duty on butter and ghee has been reduced to 30%.
9. 4% additional countervailing duty on all edible oils has been withdrawn.
10. With effect from 01.04.2008, export of edible oils has been prohibited up to 31.03.2009.

(c) to (e) As part of the Rehabilitation Package for the farmers in suicide prone districts, the Ministry of Agriculture has proposed to declare the Kuttanad Wetland Eco-system in Kerala as Special Agricultural Zone. There is no other proposal to develop Special Agricultural Zones.

Damage of crops due to unseasonal rains and thunder squalls

3399. SHRIMATI SHOBHANA BHARTIA:
SHRIMATI MOHSINA KIDWAI:

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the recent spells of unseasonal rains and thunder squalls have caused extensive damages to standing crops in various States across the country;

(b) if so, whether any assessment of damage to crops have been made;

(c) if so, whether Government, in view of recent damage of crops, proposes to provide any help to the affected farmers; and

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